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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY**

MERRILL LYNCH BUSINESS FINANCIAL  
SERVICES, INC.,

Plaintiff,

v.

ARTHUR KUPPERMAN, E. ROSS BROWNE,  
PAULETTE KRELMAN, PGB  
INTERNATIONAL, LLC, and JPMORGAN  
CHASE BANK, N.A.,

Defendants,

and

JOHN DOES (1-10) and ABC CORPORATIONS  
(1-10),

Additionally Defendants  
on the Crossclaim.

CIVIL ACTION

Civil Action No. 06-4802 (DMC)

**DECLARATION OF ISRAEL A.  
RODRIGUEZ IN SUPPORT OF  
CROSS-MOTION OF DEFENDANT  
JPMORGAN CHASE BANK, N.A  
FOR PARTIAL SUMMARY  
JUDGMENT AND RELATED  
RELIEF**

**ISRAEL A. RODRIGUEZ** declares as follows pursuant to 28 U.S.C. § 1746:

1. I am a consultant retained by Morris Anderson & Associates in the above matter. I make this declaration in further support of the Cross-Motion for summary judgment filed by JPMorgan Chase Bank, N.A. ("Chase") against defendants PGB International, LLC ("PGB"), Arthur Kupperman ("Kupperman"), E. Ross Browne ("Browne"), and Paulette Krelman ("Krelman").

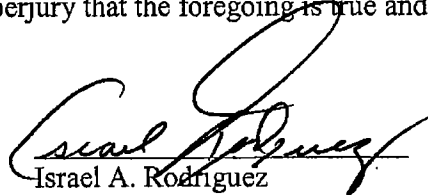
2. I was retained to go to PGB's offices to perform a forensic examination of the borrowing base for Chase's loan as of September 30, 2006.

3. My examination of PGB's books and records revealed that instead of having more than \$8,000,000.00 of accounts receivable, as PGB had represented in a borrowing base certificate that had been sent to Chase for the month ended August 31, 2006, PGB actually had less than \$1,700,000.00 in current accounts receivable.

4. It appears that PGB's account receivables were likely no greater than \$1,649,863.26, at least in part because PGB substantially overstated receivables by reporting the full sale amount on commission transactions, rather than reporting only PGB's commissions. My examination of PGB's books and records indicated no evidence that PGB, during the month of September 2006, had collected accounts receivable even remotely approaching the more than \$6,300,000 disparity that existed between the sum represented by PGB to have existed as of August 31, 2006 and the sum revealed by my examination to have existed as of September 30, 2006.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 4, 2007

  
Israel A. Rodriguez